



EMPLOYEES
SAVE ^{up to}
\$2,448
 on Transit and Parking

Tax savings on transit and parking

Internal Revenue Code Section 132 and the Transportation Equity Act for the 21st Century (TEA-21) allow employers and employees to set up specialized tax-free FSA accounts to pay for transit and parking expenses.

For only \$99, the Core 132 plan document package provides employers with everything they need to establish a compliant Section 132 plan. The package comes in PDF format via email and the cost reflects a one-time setup fee, not an annual charge.

The table below shows how cost of a Core 132 plan document package cost is quickly repaid with employer tax savings.

See the Savings

For 2022, the maximum monthly pre-tax contribution allowance for mass transit and van-pool is \$280.00 per month with an additional monthly allowance of \$280.00 for parking.

The potential tax savings for employees is up to 40% of dollars set aside for transit & parking expenses.

	Transit	Parking	Total	Tax Savings
Monthly	\$ 280	\$ 280	\$ 560	\$ 224
Annually	\$3,360	\$3,360	\$6,720	\$2,688

Assumes combined income tax and FICA tax rate of 40%.

General 132 Reimbursement Rules

- Transit expenses must be work related.
- Parking expenses must be work related at a location near place of employment or at a park-and-ride location during commute to work.
- Employees must maintain record of expenses, including all receipts.
- Reimbursements cannot exceed IRS annual limits for each type of plan.
- When a transit voucher program is readily available, Section 132 regulations prohibit the use of cash reimbursement for transit benefits.

Who is eligible for benefits under a Section 132 plan?

Generally, the Transit and Parking FSA fringe benefit can only be provided by employers to employees.

- Common law employees and officers of corporations are eligible.
- Sole proprietors, partners, independent contractors, and two-percent shareholders of S corporations are not eligible for this transportation fringe benefit.
- The law does not include non-discrimination requirements for the benefit.



Eligible 132 Expenses

Parking

Parking expenses that can be paid with pre-tax dollars include the cost of:

- Parking a vehicle in a facility that is near the employee's place of work, or
- Parking at a location from where the employee commutes to work (for example, the cost of parking in a lot at a train station so that the employee can continue the commute via train).

Mass transit

Qualified amounts include costs of any pass, token, fare card, voucher, or other item that entitles the employee to use mass transit to travel to or from his/her place of work.

The mass transit can be a public system or a private enterprise provided by a company/individual who is in the business of transporting people in a "commuter highway vehicle" as defined in IRC Section 132:

- Has a seating capacity for six or more adults (not counting the driver);
- At least 80% of the of the vehicles' mileage is from transporting employees to and from their place of work; and,
- Carries at least three passengers (not counting the driver).
- Commuter highway vehicles may be owned or leased by an employer to be used by employees or a third-party provider for transportation purposes. Employees can also own and operate commuter highway vehicles.

Set up a 132 POP in 3 easy steps

1. Design your plan:

- Choose your plan year according to the calendar (Jan-Dec) or your tax year (Jul-Jun, for example) -- a short plan year is available for the first year; and,
- Set eligibility and waiting period, and add optional flex modules. The enclosed worksheet takes you through it step-by-step.

2. Order your plan:

- Fill out our order form below.
- Your personalized plan document package arrives at your inbox within a business day or two.

3. Start your plan:

- Print, review, and sign the plan document where indicated;
- Give a copy of the participant packet to each eligible employee; and then,
- Keep the 132 plan document on file with other personnel paperwork -- there is no requirement to file any forms.

Ordering Information Worksheet

This form is provided for your convenience while gathering information for the 132 document package. It is a fillable PDF form. Click on the line next to "First Name" to begin and then tab from field to field. You may also print a blank form and write in the information.

Purchaser Information (Person buying document for Employer listed below, i.e. Agent, CPA, payroll co., etc.; "N/A" in "First Name" if not applicable.)

First Name _____ Last Name _____
 Company _____
 Address _____
 City _____ State _____ Zip Code _____
 Phone _____ Fax _____
 Email _____
 Ship Document to: ☐ Purchaser ☐ Employer

Employer Information for Plan Documents – Exactly as it should appear in the plan document. Print clearly.

First Name _____ Last Name _____ (owner/controller, document signer)

Company Name _____
 Address _____
 City _____ State _____ Zip Code _____
 Phone _____ Fax _____
 Email _____

Form of Business: ☐ S Corporation ☐ C Corporation ☐ LLC ☐ Partnership ☐ Sole Proprietorship
☐ Government ☐ Non-Profit 501(c)(3)

Employer Federal ID#: _____ **State of Inc.:** _____ **Number of Employees:** _____

Legal Name(s) of Affiliated Company(ies) that will be covered by the Plan (if any):

1) _____
 2) _____
 3) _____

Name of Plan Administrator: (Employer unless otherwise listed)

Name _____
 Address _____
 City _____ State _____ Zip Code _____
 Phone _____ Fax _____

Name of Benefit Programs To Be Offered:

☐ Health Insurance ☐ Dental Insurance ☐ Vision Care ☐ Group Term Life to \$50,000 ☐ Accident Insurance
☐ Cancer Insurance ☐ Other _____

Effective Date will be:

☐ a) a new plan effective date as of (date) _____
☐ b) Amend and restate an existing Section 132(f) as of (new date for this updated plan): _____
 If this is an amended and restated plan, state the (old) original effective date: _____

Plan Year - The first plan year will be:

☐ a) a 12 consecutive month period beginning (date) _____ and ending (date) _____
☐ b) a short plan year beginning (date) _____ and ending (date) _____

Waiting Period: Employees can participate the ☐ 1st day of employment, or ☐ 1st day following, or ☐ 1st day of month following _____ days of employment.

Eligibility Requirements: All employees who work _____ or more hours per week.

Please tell us how you found Core Documents: ☐ Search Engine ☐ Agent ☐ Google Ad ☐ Other _____

Employer: _____

Do you want your 132 package in the Deluxe Binder version or the Basic PDF Option?



- ☐ **Deluxe Binder – New Core Premium Only Plan Document** **\$400.00** ☐
In email PDF version processed ASAP, AND Printed in 3-ring binder, with 5 Section tabbed index, shipped via Priority Mail.

OR



- ☐ **Basic PDF Option - New Core Premium Only Plan Document** **\$300.00** ☐
PDF Document Processed Quickly and Sent Via E-Mail

Optional modules and services (can be added to either of the above options):

- ☐ **Plan Document CD Mailed - in addition to PDF email and/or mailed binder** **\$50.00** ☐
Documents provided in PDF format only. Forms in MS Word format.
Always have a safe backup copy of your plan document on CD.
- ☐ **Rush Order - Your order automatically queued for immediate processing** **\$75.00** ☐
- ☐ **2nd Year Update - discounted 25% when added to new document order** **\$160.00** ☐
Save 11% off the normal \$89.00 update price.
This option entitles you to one plan document amendment in the first 24 months.

Update and Amend a plan document originally produced by Core Documents:

- ☐ **Update/Amend a Section 132(f) Plan Document** **\$180.00** ☐

TOTAL _____

\$ TOTAL



Invoice me via email, please complete the following:

Company Name: _____ Contact: _____

Email Address for Invoice: _____

If paying by check, please complete the following:

Your order can be processed with the following checking account information and authorization.

Name as it appears on the check:

Bank Name: _____

Bank Routing Number: _____

Bank Account Number: _____

Total amount to be charged: \$ _____

X _____
Signature

Sample Check

TONY MAPLE
JENNIFER MAPLE
123 Pear Lane
Anyplace, GA 00000

PAY TO THE ORDER OF _____ \$ _____

ANYPLACE BANK
Anyplace, GA 00000

For _____

Routing number: _____ Account number: _____

Do not include the check number.

1234
15-00000000



The routing and account numbers may be in different places on your check.



If paying by credit card, please complete the following:

Card Number: _____

Expiration Date: ____ / ____

Total amount to be charged: \$ _____

Name as it appears on card: _____

X _____
Signature

Date: _____

Refund Policy: Purchaser understands that goods and services provided by The Pension Department, Inc. are non-refundable. Orders canceled prior to sending/shipping are subject to cancellation fees applied to the cost of goods and services provided during the review, draft, and preparation of your order.

Please sign and fax completed form to 516-346-4361 Attach additional pages of plan design information if needed.

Mail: Scan and Email: brett@thepensiondepartment.com

Toll Free Voice: 516-346-2999 Fax: 516-346-4361